The news-item appearing in the Hindustan Times dated 6-11-1996 refers to a sum of Rs. 257 crores being written off as bad debts by Bihar State Co-operative Bank (BSCB). It had been reported by National Bank for Agriculture & Rural Development (NABARD) that there had been no write-off of any loan as bad debt by BSCB. However, the departmental audit report of the bank for the year 1993-94, received in March 1996, revealed certain irregularities in sanction of loans to four Regional Weaver's Unions amounting to Rs.1.45 crores in 1986-87 and 1987-88. BSCB has, on the basis of the audit report and on the basis of verifications, decided to file cases against concerned persons. The matters is reported to be followed up by the Vigilance Cell of the Co-operation Department of the State Government of Bihar.

Rubber Processing Unit

1554. SHRI T. GOVINDAN : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to set up a rubber processing unit in Kerala; and

(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) As per the present policy, no permission or Industrial Licence is required to set up a rubber based industry. Government does not propose to set up a rubber processing unit in Kerala.

(b) Does not arise.

Burn Standard Co. Ltd.

1555. SHRI HARADHAN ROY : Will the Minister of INDUSTRY be pleased to state :

(a) whether the counter guarantee of Rs. 49.50 crores, as mentioned in reply to Unstarred Question No. 5498 dated 9.5.97 relates to earlier loans taken by the Company from the financial institutions;

(b) if so, the details thereof;

(c) whether Burn Standard Co. Ltd. has not been receiving any further working capital requirement against this counter guarantee from the banks;

(d) if so, the details thereof; and

(e) the steps taken by the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No, Sir.

(b) Does not arise.

(c) to (e) Burn Standard Company Ltd. (BSCL) has been enjoying the credit facilities from United Bank of India (UBI) for Rs. 49.50 crore since 1990. However, on the request of Union Bank of India (UBI), the Government has given counter guarantee of said amount. No additional working capital beyond the above has been sanctioned by the bank.

World Bank Loan

1556. SHRI G.A. CHARAN REDDY :

DR. T. SUBBARAMI REDDY :

SHRIMATI LAKSHMI PANABAKA :

SHRI R. SAMBASIVA RAO :

Will the Minister of FINANCE be pleased to state:

(a) the details of schemes implemented in Andhra Pradesh with the assistance from the World Bank and the extent to which the assistance has been utilised during the last three years;

(b) whether a team of officials of the World Bank had discussions with the State during May, 1997 and discussed the modalities regarding utilisation of the assistance extended to the State;

(c) if so, whether the World Bank has given some suggestions in regard to utilisation of funds and implementation of the schemes proposed to be adopted in the State;

(d) if so, the main suggestions made by the World Bank and the extent to which the State Government has agreed to implement these;

(e) the total loan which the World Bank has agreed to provide; and

(f) the steps being taken to utilise the loan fully?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) and (b) The details of on-going State sector World Bank aided projects in the State of Andhra Pradesh is as follows :-

(in US$ million)

	Name of the Project	Amount	Utilisation		
			1993-94	1994-95	1995-96
1.	A.P. First Referral Health Systems	125.68	1.50	0.49	6.12
2.	A.P. Forestry	77.64	5.46	2.60	14.08
3.	Hyderabad Water Supply	89.36	2.60	8.22	16.47
4.	IIIrd A.P. Irrigation	325.00	The Loan has been declared effective on 3.7.97.		
5.	A.P. Hazardous Mitigation Emergency Cyclone	150.00	The Loan is not yet effective.		

(b) No, Sir.

(c) and (d) Do not arise.

(e) and (f) A number of projects, in which state of Andhra Pradesh may be a beneficiary, have been posed to the World Bank for possible assistance. These include A.P. Economic Restructuring, A.P. Power Sector Reform, Hyderabad Water